



HF 640 – Gasoline Terminals, Sale of Nonblended Fuel (LSB 2132HZ.1)
Analyst: Debra Kozel (Phone: (515) 281-6767) (deb.kozel@legis.iowa.gov)
Fiscal Note Version – As amended by Senate Ways and Means Committee

Description

House File 640 makes changes to the Iowa Code related to renewable fuels. The following is a summary of the changes:

- Division I – Supports the federal Renewable Fuel Standard and the importance of renewable fuels in Iowa.
- Division II – Adds definitions related to renewable fuels and details the rights of dealers and distributors of blended fuels. Adds a civil penalty of \$10,000 per violation per day of this division.
- Division III – Increases the registration fee for an above ground storage tank (ABT) from \$10 to \$20 and specifies the funds will be used by the State Fire Marshal for administration of the ABT Program. Adds a late registration fee of \$25.
- Division IV – Extends the variable tax rate for gasoline (21 cents per gallon) and gasohol (19 cents per gallon) to June 30, 2014.

Assumptions

- The Fire Marshal estimates there are 7,000 ABTs in Iowa.
- The Department of Transportation estimates the extension of the variable tax rate on gasoline will result in a decrease of \$7.7 million to the Road Use Tax Fund.

Fiscal Impact

There is no fiscal impact to the General Fund. The fiscal impact for increasing the ABT registration fee by \$10 is an additional \$70,000 for FY 2014. The money will be maintained by the Fire Marshal for the ABT Program. The fiscal impact for extending the variable tax rate on gasoline for one year is a decrease of \$7.7 million to the Road Use Tax Fund for FY 2014.

Sources

Department of Revenue
Department of Transportation
State Fire Marshal, Department of Public Safety

May 16, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
